



Stakeholders working towards responsible business conduct in the natural stone sector

## Discrimination and gender

International regulation states that companies should commit to economic, environmental and social progress with a view to achieving sustainable development. By applying international Responsible Business Conduct (RBC) risk management and due diligence, companies are able to identify, prevent, limit and account for the possible negative impact of their actions that take place in the supply chain. When developing International RBC risk management, it is not the risks to the company that are central, but the possible and actual risks of negative impact to other stakeholders in the supply chain, such as local communities and workers in production countries. Discrimination and gender issues are examples of the risks that companies face in supply chains.

It can be challenging as an individual company to address such issues. Knowledge of the situation on site is often limited. Therefore, this guidance is created to inform companies active in the natural stone sector about the risks of discrimination and gender issues in the supply chain, while recognising the gender diversity. Also, the fact that people may be confronted with different types of discrimination at the same time (e.g. migrant women) is important to take into account when analysing risks. This guidance is the first step in supporting companies in addressing discrimination and gender issues, which will lead towards a more inclusive and resilient sector.

## What are discrimination and gender issues?

Discrimination refers to unequal treatment of people in an equal situation. It does not merely occur based on gender, but also on the basis of other personal characteristics that are irrelevant to the performance of the position, such as discrimination based on caste, religion, ethnicity or migration background. Examples of discrimination are: not giving every worker the same access to healthy and safe working conditions; unequal pay for equal work, unequal promotion (opportunities) and salaries; workplace harassment incidents and countermeasures taken; unequal gender distribution at the different positions in the production chain.

Gender can be defined as the social meanings given to being either female or male in a given society. It may also refer to the economic, social, political and cultural attributes and opportunities associated with being male or female. These meanings are changeable, time bound and vary from one society to another.

## Women

Women and men are impacted differently by extractive industries projects. Despite this, companies active in the extractive sector frequently take a gender-neutral approach to human rights due diligence. Meaning that, in practice, women are often marginalised in stakeholder engagement, and their rights are insufficiently considered in project planning and implementation. For example, women are frequently excluded from negotiations on land acquisition and resettlement processes. While their insights might differ significantly from those of their male counterparts. As such companies might lose a lot of valuable information necessary for their risk assessments.<sup>1</sup>

Even though the majority of the workers involved in quarrying operations are men, women are likely to be involved in the processing of waste stone, housekeeping and cleaning activities. Besides that, the work of stonecutting and shaping of cobblestone is mostly done by women.<sup>2</sup> Understanding the differences in needs and risks between male and female workers can create opportunities for companies to improve workers' conditions.



1 Danish Institute for Human Rights (2019) – [Towards Gender-responsive Implementation of Extractives Industries Projects](#), p. 1.

2 Arisa – [Between a Rock and a Hard Place](#) (2020).

## Violence

There is also the issue of gender based violence that occurs in the natural stone industry. Qualitative evidence suggests that sexual and gender-based violence may be particularly serious in extractive industries communities due to the influx of disposable income, the arrival of migrant labour and the social disruption caused by the industry.<sup>3</sup> The level of exposure to violence is especially great in informal or precarious sectors with low management accountability, low wages and a lack of trade unions.<sup>4</sup>

## Migrant workers

An important aspect that frequently leads to discrimination in the work place is the use of migrant workers. As reported by the Association for Stimulating Know-how (ASK), migrant workers in sandstone (Rajasthan) and black granite (Telangana) quarries often face challenges due to lack of union support and no formal monitoring of their working conditions.

Often, payment of migrant worker's wages is immediately stopped when they want to leave for their homes, leaving them no other choice than to continue working till the payment is cleared. Even though employers frequently provide accommodation for migrant workers, the workers are often dissatisfied with the living conditions, as they tend to reside in one room with 7 to 9 other workers.<sup>5</sup>

Elaborating on the working conditions of migrant workers, a report by NGO Arisa on 'The Dark Sites of Granite' shows that migrant labour is often preferred over local labour because of their dependency on the employer and the fewer social and familial commitments. Besides that, migrant workers are often paid lower

wages.<sup>6</sup> NGO Swedwatch reports that the situation for migrant workers in the natural stone industry in China is problematic, as they often need to pay much higher prices for services such as healthcare, schooling, and housing compared to local workers. As migrant workers are far away from their homes and a system of social support is often lacking, they run the risk of being exploited.<sup>7</sup>

In South Asia, caste systems may provide an extra risk to discrimination for migrant workers. Caste systems divide people into unequal and hierarchical social groups. Those at the bottom of the hierarchy are considered 'lesser human beings', 'impure' and 'polluting' to other caste groups. In South Asia, caste discrimination is traditionally rooted in the hierarchical Hindu caste system, according to which Dalits are considered 'outcasts'.

3 Danish Institute for Human Rights (2019) – [Towards Gender-responsive Implementation of Extractives Industries](#), p. Projects, p. 33.

4 CNV Internationaal – [Violence is not part of the job](#).

5 Association for Stimulating Know-How - [Study of natural stone sector: Sandstone \(Rajasthan\) & Black Granite \(Telangana\)](#).

6 Arisa (2017) – [The Dark Sites of Granite in India](#).

7 Swedwatch (2008) – [Improving working conditions at Chinese natural stone companies](#), p.22.

## Why address gender issues and discrimination?



### International treaties and guidelines

The [Universal Declaration of Human Rights](#) (1948) declares that workers from all over the world, regardless of their gender identity, cast, religion, ethnicity or migration background, have the right to work in a safe environment and to equal treatment with equal opportunities. Everyone is entitled to equal protection against any discrimination and against an incitement to such discrimination.

The [OECD Guidelines](#) (chapter V) state that companies “should be guided throughout their operations by the principle of equality of opportunity and treatment in employment and not discriminate against their workers with respect to employment or occupation on such grounds as race, colour, sex, religion, political opinion, national extraction or social origin, or other status, unless selectivity concerning worker characteristics furthers established governmental policies which specifically promote greater equality of employment opportunity or relates to the inherent requirements of a job”. These Guidelines also note that companies “are expected to promote equal opportunities for women and men with special emphasis on equal criteria for selection, remuneration, and promotion, and equal application of those criteria, and prevent discrimination or dismissals on the grounds of marriage, pregnancy or parenthood”, which is consistent with the ILO standards of non- discrimination with respect to employment and occupation\*.

Besides that, the [Sustainable Development Goals](#) (SDGs) are a call for action by all countries - poor, rich, and middle-income - for a peaceful, prosperous and sustainable world, which includes promoting fundamental human rights such as gender equality and equality within and among countries.

\* ILO [Declaration on Fundamental Principles and Rights at Work \(1998\) Convention](#), p 110 & 111.

It is important to recognise that discrimination and gender issues are often not isolated problems, but interrelated with other matters such as a healthy and safe work environment, freedom of association, the right to participate in social dialogue, and living wage. To illustrate, women and marginalised groups are more likely to come across sexual intimidation and gender related violence on the work floor. In addition, women and marginalised groups are often less represented on the work floor, which makes it difficult to take the specific needs of these groups into account when there is limited freedom of association. Moreover, as there often exists a pay gap between men and women, obtaining a living wage is likely to be more challenging for women as compared to men.

Addressing discrimination and gender issues offers opportunities to protect human rights in production countries and to contribute to sustainable growth. Tackling discrimination and gender issues may lead to opportunities for companies such as:

- Workers and gender equity can reduce disruption or protest among local communities as well as among consumers, which results in a more predictable environment with fewer production disruptions, avoiding cost increases and loss of income;
- Improvement of management efficiency. A proactive workers and gender equity approach can free up management time for core business activities rather than responding to investor concerns or conflict resolution within the community;
- Stronger development results. Working with, and in support of, women and migrant workers will enable extractive industry companies to show stronger and more sustainable development results, as indicators that measure the status of women and migrant workers will show more positive results when discrimination and gender issues are mitigated;

- More diversity in the workplace. A diverse workplace can bring new perspectives to the table and can attract a wider range of candidates. A company that embraces diversity might create a pleasant workplace leading towards a productive environment, as workers see a representation of a variety of cultures, backgrounds, and ways of thinking, which make it more likely to make them feel comfortable being themselves;
- Lastly, it contributes to a positive reputation and reduces the chance of negative media attention.



## How to address discrimination / gender issues?

By including discrimination and gender issues in the six steps of the due diligence cycle, you can address actual and potential human rights violations throughout the entire supply chain.

### Step 1: Include discrimination and gender issues in your Code of Conduct

The first step in addressing discrimination and gender issues is developing a Code of Conduct. In a Code of Conduct (see example below) you can state what you expect of your suppliers with regards to important themes such as discrimination and gender equality. It is important to note that the goal is for your supplier to improve its practices, not for you to terminate your relationship with the supplier, as this will have a more sustainable effect than removing a certain producer from the chain when it does not meet the standards.

#### Code of Conduct – Example text

Every employee shall be treated with respect and dignity. No use of humiliating or physical punishment is accepted, and no employee shall be subject to physical, sexual, psychological or verbal harassment or abuse. No employee shall be discriminated against in employment or occupation on the grounds of sex, race, colour, age, pregnancy, sexual orientation, religion, political opinion, nationality, ethnic origin, disease or disability. All employees are entitled to a written employment contract, in the local language, which includes the terms.

### Step 2: Check if discrimination and gender is a risk in your value chain

An important step in the due diligence process is the identification and assessment of negative impacts. There are specific indicators that can be monitored to see whether the risks are occurring or not. Gender equality is for instance visible through equal rights in contracts, wages and safety. Other indicators for gender inequality are:

- Lower payment or grading of female employees for equal work
- Feelings of insecurity and unsafety among female workers
- Little diversity in training programs and career opportunities
- Dismissal on the basis of pregnancy or childbirth
- High turnover of women or migrant workers

Other possible indicators that are visible in the workplace or in reports which could indicate discrimination are:

- Lack of formal employment contracts for migrant workers
- Poor accommodation conditions of migrant workers
- Poor sanitary facilities (male and female facilities not separated)
- Language barriers
- No access to credit, equipment or land
- Lack of identity cards, bank accounts and insurances
- Differences in entitlements per state
- Social hierarchy by e.g. caste system

Public sources, such as NGO reports, can give insights in the possible discrimination and gender risks in a specific region. For further information on gender and discrimination issues in the extractive industry, a non-comprehensive list of public reports can be found in the [Appendix](#).

In order to subsequently check whether the identified risks are also present at your suppliers, you need to engage in conversation with those involved. Many owners or managers of production sites, quarries and factories will indicate that working conditions are fine. Independent risk assessment in certain regions confirm that for permanent employees who have a contract and the necessary skills, this is indeed often the case. For example, no signs of forced labour beyond working hours have been found in the report of NGO Swedwatch on the working conditions at Chinese natural stone companies.<sup>8</sup>

However, due to a lack of monitoring it is often difficult to obtain a clear overview of the working conditions, as companies do not keep records of working hours, overtime, accidents, injuries and lost working days, especially for temporary and migrant workers. These groups of workers often do not receive the same opportunities as permanent workers, nor do they receive the same wages.

Do you encounter more risks in your chain than you can possibly tackle? Start with prioritising risks on severity and likeability. The Secretariat can always offer advice in this exercise. The Shift report '[Business and Human Rights Impacts: Identifying and Prioritizing Human Rights Risks](#)' can give useful information as well.

### Questions you may ask your supplier

- Do you have a way to find out what the working conditions of migrants or women look like?
- Does the company have a policy on women's rights and inclusiveness?
- Is there an action plan and timeline regarding gender and discrimination issues?
- Is there a confidant counsellor to whom people can turn?
- Are there separate sanitary facilities for men and women?

<sup>8</sup> Swedwatch (2008) - [Improving working conditions at Chinese natural stone companies](#).

- Are migrants and women allowed to participate in decision-making processes?
- Is there the possibility to nurse children in a rest area?
- During the hiring process is it asked whether the worker is (planning to become) pregnant?
- Are permanent contracts offered to workers, including to workers with a migration background?
- Are there attempts to integrate women in operational work? Are there specific trainings to do so?
- Is accommodation provided for migrant workers?
- If there is accommodation provided, what does the accommodation look like?
- What steps have been taken so far to mitigate and prevent risks related to gender and inclusiveness in the future?
- Do you ever speak with local NGOs, trade unions or other organisations that represent workers?
- Are there grievance mechanisms (such as Operational Level Grievance Mechanisms) that are suitable and accessible for workers?

### Step 3: Take actions to improve the discrimination and gender issues in your value chain

Step 3 of the due diligence cycle describes different routes to achieve a more inclusive work place, with good practices from other sectors. This guide identifies various approaches to addressing discrimination and gender issues, namely through trade unions and social dialogue, and the government.

The following actions can be taken by your company to improve the discrimination and gender issues in the value chain:

- Promote that female employees and other discriminated or disadvantaged groups have the same rights and opportunities as other workers, including equal pay for equal work and opportunities for senior and leadership positions.
- Make agreements on the above in supply contracts.



- Draw up company policy on discrimination and achieving equal rights in all parts of the production or supply chain, including in the local languages and with respect to flexible workforce.
- Support suppliers in providing prevention education and training on combating discrimination.
- Take initiative together with other customers to improve recruitment practices for equal rights and equal pay for all staff members.
- Partake in initiatives together with other customers to protect pregnant female workers and to promote parental leave and childcare, paid maternity leave, sufficient time and space for the care function (such as breastfeeding and expressing milk) and a return guarantee.
- Carry out on-site random sampling or by consulting local active civil society organisations and/or trade unions to investigate whether discrimination in the production or supply chain of the company has been eliminated and equal rights are promoted. If that is not the case in a particular company in the production or supply chain, that company must have a time-bound improvement plan drawn up. If this does not lead to results, then the contracting company must introduce sanctions, including in the worst case termination of the contract with the concerned supplier.
- Collaborate with local trade unions and civil society organisations with a track record in combating discrimination.
- Offer to hire a translator to help migrants with taking out insurance, to submit an application for benefits or to become a member of a trade union.
- Join forces with local organisations to find a reliable financial institution where workers can open a bank account. Many problems occur in the informal sector and are therefore nontransparent. Bank accounts can provide more transparency and security. Set conditions for suppliers to only transfer salaries via bank accounts and to avoid cash payment. Encourage suppliers to keep records of these transactions.
- Create an inclusiveness ladder to set realistic goals for improving inclusiveness in the sector for the short and the longer term.

### 3.1 Approach through trade unions and social dialogue

#### Social dialogue

Social dialogue is of great importance in promoting consensus building and democratic involvement among multiple stakeholders. One of the enabling conditions of social dialogue is the existence of strong, independent workers' and employers' organisations with the technical capacity and the access to relevant information to participate in social dialogue\*

\* International Labour Organization, [What is Social Dialogue.](#)



It is important to invest in communication and engagement with your suppliers. Establishing regular dialogue, showing appreciation for the information that is shared, and seeking to understand your supplier's challenges will contribute to building up a sustainable relationship with your supplier. In order to be able to determine through dialogue how inclusiveness in the workplace can be pursued, it is recommended to engage with independent trade unions in the country where the production takes place. Via the TruStone labour union parties (*[FNV Mondiaal](#)*, *[CNV Internationaal](#)*, *[WSM \(We Social Movements\)](#)* and *[ACV](#)*) you can find out where and which independent trade unions are present worldwide. Help can also be provided to get people to organise themselves in an independent trade union movement, if these are not yet present. Furthermore, through the Dutch trade unions there are possibilities to organise training courses for various workers in the supply chain.

There are several opportunities related to the route through social dialogue. Engaging in social dialogue can have a positive influence on working conditions of workers. Moreover, it will promote a sustainable relationship between employee and employer, which increases the chance of investment in training and improves workers' sense of loyalty, while it will decrease absenteeism and turnover. It also encourages the local government to recognise trade union freedom.

### 3.2 Approach through the government

Most governments in OECD countries are increasingly concerned with values such as fairness, equality, justice and social cohesion. However, in production countries there often is still a lack of legislation to combat discrimination and gender issues. If governments become more aware of the benefits of an inclusive society, it will also become easier for companies to adjust their policy accordingly.

Governments with limited or insufficiently enforced labour laws are concerned that companies may relocate production to other locations if public administration

is tightened regarding safety and security in the workplace. By jointly sending out a signal to governments that companies will not leave when a stricter and more inclusive policy is in place, companies can remove an important obstacle.

There are several opportunities related to the route through governments. As a legislative body, the government has the power to stimulate inclusiveness policies and implement them in legislation. Moreover, governments legitimacy can increase when involved in stakeholder engagement. Lastly, increasing documentation of company procedures and information on workers could result in a more efficient collection of taxes.

### Step 4: Track implementation and results

In order to obtain insight into whether policies and actions regarding discrimination and gender issues are being implemented, it is necessary to continuously track the process. It is also important to check whether the resources that are provided actually reach the people for whom they are intended.

Monitoring and evaluation mechanisms are necessary for long-term improvements in the sector. Make sure that you involve those directly involved or their representatives, such as local unions, in monitoring progress. By completing a due diligence action plan, you can properly monitor your applications and results. Checking the results can be done through consultation with stakeholders, reading and following up on audit reports, discussions and visits to suppliers, and collaborating with NGOs, labour unions, research institutes.<sup>9</sup> The TruStone Initiative gives the advantage to companies that knowledge and networks can be shared which facilitates the tracking of results.

<sup>9</sup> I-TS Guidance Supply chain mapping, only available to TruStone members in the [toolbox](#).

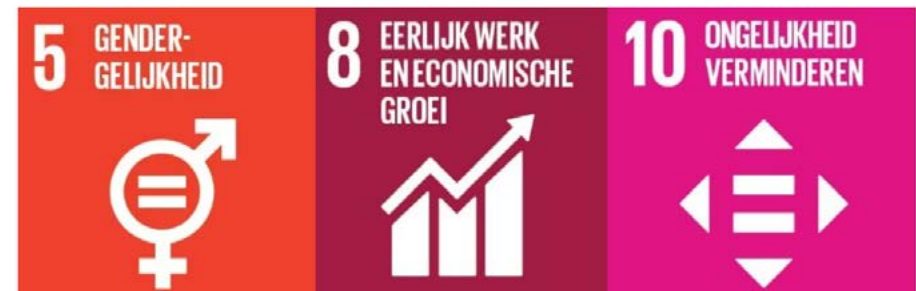
Another commonly used method for monitoring progress is conducting audits at supply chain partners. Audits by an audit firm can be used to map the situation at a manufacturer or quarry (a baseline measurement), and can then be used to track progress. Make sure to agree with the audit organisation that inclusiveness is part of your audits and which definition is used to determine if discrimination is taking place.

### Step 5: Communicate about efforts taken

Communicate transparently about the risks, the efforts that have been made to avoid risks and/or mitigate the consequences, and the challenges. This can be done via your website, annual reports, sustainability reports and perhaps even directly via the product. You can use the different topics of the OECD Guidelines as a classification or you can make reference to other international RBC guidelines, such as the internationally recognised UNGP Reporting Framework for reporting. International RBC is a process of continuous improvement. Honest and transparent communication on due diligence efforts and results, which is also known as 'knowing and showing', is likely to bring benefits to your company in the form of a positive image and an increased "customer goodwill" (both in government procurement and private consumers).

In addition, you can mention in your communication that addressing gender issues and discrimination will also contribute to several Sustainable Development Goals (SDGs) of the United Nations. The SDGs are recognised by companies, governments, international organisations and civil society organisations as a blueprint to achieve a better and more sustainable future for all. According to SDG 5, women should be given the same opportunities as men regarding decision-making in political, economic, and public life. SDG 8 aims to promote fair work for everyone, and encourages inclusive and sustainable economic growth. Lastly, SDG 10 states that economic growth has to be inclusive, and stimulates ending discriminatory legislation and practices that are increasing inequality.

The TruStone Initiative guidance on public communication will provide you with a clear description of what your communication should include, with suggestions and examples.<sup>10</sup>



### Step 6: Make people that may be adversely affected by your or your suppliers' business operations aware of the possibility to notify the TruStone independent Complaints & Disputes Committee

Despite your efforts it may happen that discrimination and gender issues continuously keep existing in your chain. For that reason, it is important to inform stakeholders about the existence of the [Complaints & Disputes Committee of the TruStone Initiative](#). After all, stakeholders are only able to submit a report or complaint if they are aware of the existence and the role of the committee. You can inform stakeholders about the committee through your International RBC policy or via your website. We also recommend that during working visits you do not only speak with the supplier itself, but also with local workers and other stakeholders, or their representatives such as local trade unions and NGOs and make an effort to speak with women in management as well as on the work floor. During these visits you can inform workers and their representatives about the possibility to signal problems and suggestions related to discrimination and gender issues to the TruStone Complaints and Disputes Committee.

<sup>10</sup> Available in Dutch only [here](#).

Notice that an aggrieved person (or group of persons) who wishes to file a complaint against a company that is part of the TruStone Initiative, can contact the independent Committee by sending an email to [trustone-complaints@internationalrbc.org](mailto:trustone-complaints@internationalrbc.org).

For further questions or suggestions about this guidance sheet: please contact the TruStone secretariat via [InitiatiefTruStone@ser.nl](mailto:InitiatiefTruStone@ser.nl)



## Appendix Additional information on gender and discrimination issues

Danish Institute for Human Rights: Towards Gender-responsive Implementation of Extractive Industries Projects

[https://www.humanrights.dk/sites/humanrights.dk/files/media/migrated/gender\\_and\\_extractives\\_report\\_sept2019.pdf](https://www.humanrights.dk/sites/humanrights.dk/files/media/migrated/gender_and_extractives_report_sept2019.pdf)

International Dalits Solidarity Network: Working Globally against Caste-based Discrimination

<https://idsn.org/>

International Trade Union Federation Economic and Social Policy Brief: Gender Gaps in Social Protection

[https://www.ituc-csi.org/IMG/pdf/policy\\_brief\\_gender\\_gaps\\_social\\_protection\\_en.pdf](https://www.ituc-csi.org/IMG/pdf/policy_brief_gender_gaps_social_protection_en.pdf)

Stichting van de Arbeid: Kennisdocument van Diversiteit naar Inclusie

<https://diversiteitinbedrijf.nl/wp-content/uploads/2018/03/Kennisdocument-Van-diversiteit-naar-inclusie-maart-2017.pdf>

United Nation Development Programme: Gender Dimensions Guiding Principles on Business and Human Rights

<https://www.undp.org/content/dam/undp/library/peace/rol-security-hr/RBAP-2019-Gender-Dimensions-Guiding-Principles-Business-and-Human-Rights.pdf>

